

THE PUBLIC ESTABLISHMENT
HUMANA PEOPLE TO PEOPLE BALTIC

ANNUAL REPORT 2019



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THE PUBLIC ESTABLISHMENT HUMANA PEOPLE TO PEOPLE BALTIC

THE MISSION STATEMENT

- HUMANA PEOPLE TO PEOPLE BALTIC wants to see a world with better prospects for all its inhabitants to live their lives without poverty, sickness and lack of freedom.
- HUMANA PEOPLE TO PEOPLE BALTIC wants to support people's efforts to create development in their communities.
- HUMANA PEOPLE TO PEOPLE BALTIC supports projects dealing with health, education and environment. We believe that work within these areas is one of the main preconditions for sustainable development.

THE HISTORY

Humana People to People Baltic (HPPB) was founded in the beginning of 1998. The idea was to establish an organization in Lithuania that could raise funds to support development of poor and disadvantaged people in the world. To do this through a network of shops selling second hand clothes and using the surplus from this activity for Humana People to People's projects in developing countries.

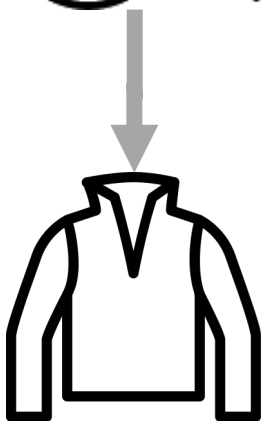
The first Humana shop and the Sorting Centre in Lithuania have been opened in 1998. Steadily growing over 19 years, the HPPB has become one of the biggest second hand clothes sorters and sellers in Lithuania. In 2019 the Humana shops network is 63 shops, spread in 28 towns all over the country.

HPPB is a member of the Federation for Associations connected to the International Humana People to People movement (more about Humana People to People organizations on page 6) and supports many very good sustainable development and education projects in Africa, Asia, Europe, Latin America and Lithuania while also being an expert source of fashionable and good quality clothes at very affordable prices for many Lithuanians.

HPPB WAY OF FUNDRAISING FOR DEVELOPMENT ASSISTANCE AND SOCIAL PARTNERSHIP PROJECTS



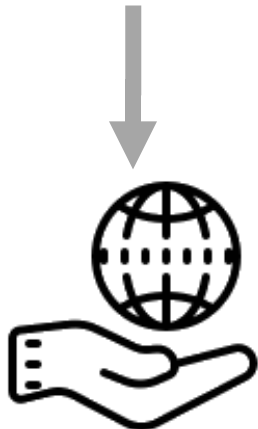
PURCHASING Fundraising at HPP Baltic starts with purchasing from suppliers on the second hand clothes and footwear market.



SORTING To pursue the highest environmental benefits, HPP Baltic strives to reuse the second hand textiles. This requires a detailed sorting and distribution to different parts of the world. Through the long term relationships built across the sector, HPP Baltic is able to ensure a high quality and transparency throughout the supply chain.



SELLING Around 50% of the sorted goods are exported. In Lithuania, HPP Baltic operates 63 Humana second hand clothes shops network and sells sorted clothes to minor sellers. To facilitate changing consumption patterns in developed countries, Humana stores are at the forefront of sustainable fashion, enabling customers to shop for high quality second hand clothes at affordable prices, as well as addressing global resource challenges.



SPONSORING After paying taxes, the profit is used to finance socially important projects.

In 2019 HPPB engaged and contributed **4 687 074** EUR to implement 104 partnership projects in 8 countries.

THE HUMANA PEOPLE TO PEOPLE ORGANIZATIONS INTERNATIONAL NETWORK

Humana People to People Baltic is a member of the Federation for Associations connected to the International Humana People to People movement (FAIHPP). FAIHPP was formed in 1996, by the then 16 national associations in Europe and Africa, as they wanted to strengthen their cooperation and improve the quality and impact of their work.

Today FAIHPP has 30 independent associations as members from Europe and North America, and from Africa, Asia and South America, reaching more than 9.5 million people annually.

Members of FAIHPP are independent national charitable organizations who base their work on keen knowledge of the needs and potential of the communities where they are situated. The International Headquarters of FAIHPP are situated on Murgwi Estate, Shamva in Zimbabwe, in rural setting 85 km outside of the capital Harare.

Member organizations in Europe and North America collect and sell second-hand clothes for reuse and expend the surplus to support social development projects. These projects build human capacity and encourage people to join forces to make changes that improve their lives and their communities.

FAIHPP is committed to adhering to the highest standards of accountability, transparency and good governance. Annually members of FAIHPP spent approximately EUR 90 million on education and social development projects world-wide. FAIHPP received the SGS NGO Benchmarking Certification—a voluntary system measuring accountability to stakeholders and compliance with best practices—as proof of its conformity and compliance with best practices in governance, measured against the SGS NGO Benchmarking Standards.

FAIHPP is governed by a Committee, elected by members at the Annual General Assembly, which is the highest authority of the Association. All members have policies, guidelines, internal controls and external audits in line with international standards, to ensure that funds received are spent for the purpose intended.

THE HUMANA PEOPLE TO PEOPLE ORGANIZATIONS INTERNATIONAL NETWORK

Humana People to People movement members believe in the power of people working together to bring about lasting change, equipping people with the tools, knowledge and skills to build their own bright futures. There are four main areas of movement members engagement into activities for social development.

Community Development

Community Development happens in villages, towns and the slums, where Village Action Groups get together to solve the pressing issues by working in close cooperation with traditional leaderships, health and education institutions, government agencies, local organizations and faith based groups. Community Development activities include taking care of children, assisting the elderly and the sick, addressing the need for clean water, sewage and rubbish disposal, nutrition by growing more vegetables, campaigning against child marriages, tackling illiteracy and creating income generating activities.

Education center

Humana People to People movement members believe education is a vital tool to alleviate poverty and essential to national and global development, providing the foundations for a brighter future. Humana People to People members work to empower girls and women, encouraging more girls to stay in education. Teacher Training programs educate teachers for mainly rural communities across Africa and Asia. Vocational Training programs include formal training courses and short skills training courses. The concept of the Preschool of the Future has grown up to a professional movement what is changing parents and teachers understanding of Early Childhood Education as basically different from Primary School Education.

Health

The Humana People to People health projects focus on the biggest health challenges in the countries where we are working, continuing the fight for gaining total control of the HIV and AIDS epidemic, fighting the spread of TB, and taking part in eliminating malaria. As diabetes, hypertension and cancer increase premature deaths outside of the industrialized countries, Humana People to People engages in public campaigns of information, detection and referral to treatment for this kind of diseases too. Humana People to People health projects are based on the active participation of the people themselves in their communities, focus on prevention and close cooperation with the public health system.

Sustainable Agriculture and Environment

Small-scale farmers are at the heart of responding to the world's environmental and social crisis. They are the driving force towards ecologically sustainable and socially fair agriculture systems. Globally, small farmers produce most of the food. They feed the world. While much of their production is not reflected in national statistics because it is not traded as a commodity, it does reach those who need it the most: the rural and urban poor.

HPPB DONATIONS USED FOR PARTNERSHIP PROJECTS in 2019

<u>Country</u>	<u>Project</u>	<u>Amount (EUR)</u>
Belize	Child Aid Toledo	81 752
	Disaster Risk Reduction	17 788
China	Community Development Butuo	7 054
	Community Development Puge	8 225
	Pre-School Longling	36 732
	Pre-School Puge	46 578
	Pre-School Qiaojia	18 736
	Pre-Schools Program	159 437
Guinea Bissau	Vocational School in Bissora	149 029
	Teacher Training College in Cacheu	248 123
	Youth in Action	132 037
	General Support	115 200
	TCE Program	2 659
India	Community Development Program	177 305
	HIV/AIDS and TB Program	97 185
	School for Teachers in Uttar Pradesh	67 855
	School for Teachers in Bihar	83 235
	School for Teachers in Jhajjar	14 855
	Education Programs	98 731
	Women Empowerment and Environment	88 799
	Bridgefunding	177 598

HPPB DONATIONS USED FOR PARTNERSHIP PROJECTS in 2019

<u>Country</u>	<u>Project</u>	<u>Amount (EUR)</u>
Malawi	Mikolongwe Vocational School	302 594
	Teacher Training College Amalika	212 688
	Teacher Training College Dowa	164 647
	Institutional Capacity Building	133 497
	Jobs for Youth	6 230
Mozambique	Teacher Training College Inhambane	23 831
	One World University	22 474
	HOPE Cabo Delgado	125 811
	Food for Knowledge	4 239
	Malaria Prevention in Nampula and Niassa	610 538
	Producers Clubs Tete	83 044
	Nutrition Project Zambezia	21 870
Namibia	School	65 208
	Child Aid Program	43 904
	TCE Program	85 329
Zimbabwe	Frontline Institute	263 480
	Child Aid Malaria Program	21 737
	Farmers' Clubs Masvingo Rural	22 034
	Production	73 836
	Child Aid Chimanimani	64 185
	Child Aid Rushinga	30 389
Federation	The Clinic	196 002

HPPB DONATIONS FOR SOCIAL PARTNERSHIP IN LITHUANIA in 2019

Social Partner School

M.Rimkevičaitė Vocational Training Center, Panevėžys
Education Development Center, Vilnius
Sidabravas Progymnasium, Radviliškis r.
Gediminas Gymnasium, Nemenčinė, Vilnius r.
M.Račkauskas Gymnasium, Mažeikiai
Linkuva Gymnasium, Pakruojis r.
Velžis Gymnasium, Panevėžys r.
J.Tūbelis Progymnasium, Rokiškis r.
Vytautas Magnus Progymnasium, Jurbarkas
A.Stulginskis Multifunctional Center, Kaunas
S.Darius and S.Girėnas Gymnasium, Kaunas
Adults Gymnasium, Klaipėda
P.Matulionis Progymnasium, Kupiškis
Downtown Progymnasium, Rokiškis
P.K.Brzostowski Gymnasium, Šalčininkai r.
V.Mironas Gymnasium, Daugai, Alytus r.
Versmė Gymnasium, Elektrėnai
Dainava Progymnasium, Alytus
Gytariai Progymnasium, Šiauliai
Kurtuvėnai Multifunctional Center, Šiauliai r.
Vocational School for Tourism and Trade, Vilnius
Sietuva Progymnasium, Vilnius

Total Support for School projects (EUR) : 74,875

Partner Child or Youth NGO

Order of Malta Relief Organization, Telšiai
Order of Malta Relief Organization, Klaipėda
Order of Malta Relief Organization, Vieکشniai
Caritas, Kaunas
Save the Children, Druskininkai
Lithuanian Samaritan Society, Jurbarkas
Lithuanian Samaritan Society, Raudonė
Juventa, Kaunas r.
Kindergarten Nendrė, Vilnius
Valley of Joy, Plungė
House of the Holy Cross, Vilnius
St.George parish, Šalčininkai
Actio Catholica Patria, Kaunas
Save the Children, Rokiškis

HPPB DONATIONS FOR SOCIAL PARTNERSHIP IN LITHUANIA in 2019

Partner Child or Youth NGO

St.Edward Parish, Švenčionėliai
St.John the Baptist Parish, Pasvalys
St. Bartholomew Parish, Druskininkai
Ariogala Flow, Raseiniai
Sargeliai Community Center
Youth Support Center, Klaipėda
Light of Hope, Biržai
Hope, Švenčionys
Aukštelkė Academy for Informal Training, Šiauliai r.

Liškiava Multifunctional center, Varėna r.
Gelgaudiškis Community Center
Open Youth Center, Vilnius
Save the Children, Šakiai
Parish of the Holy Cross, Kaunas
Alfa-1, Kaunas
Community Center, Alytus
Parish of All Saints, Švenčionys
Your Chance, Kaunas
Local Action Group, Elektrėnai
South, Klaipėda
Hands of Kindness, Kaunas
Child Day Center, Kupiškis
Lithuanian Samaritan Society, Kaunas
Parish of the Apostles Peter and Paul, Šiauliai
Mother Teresa's Family Home, Šiauliai

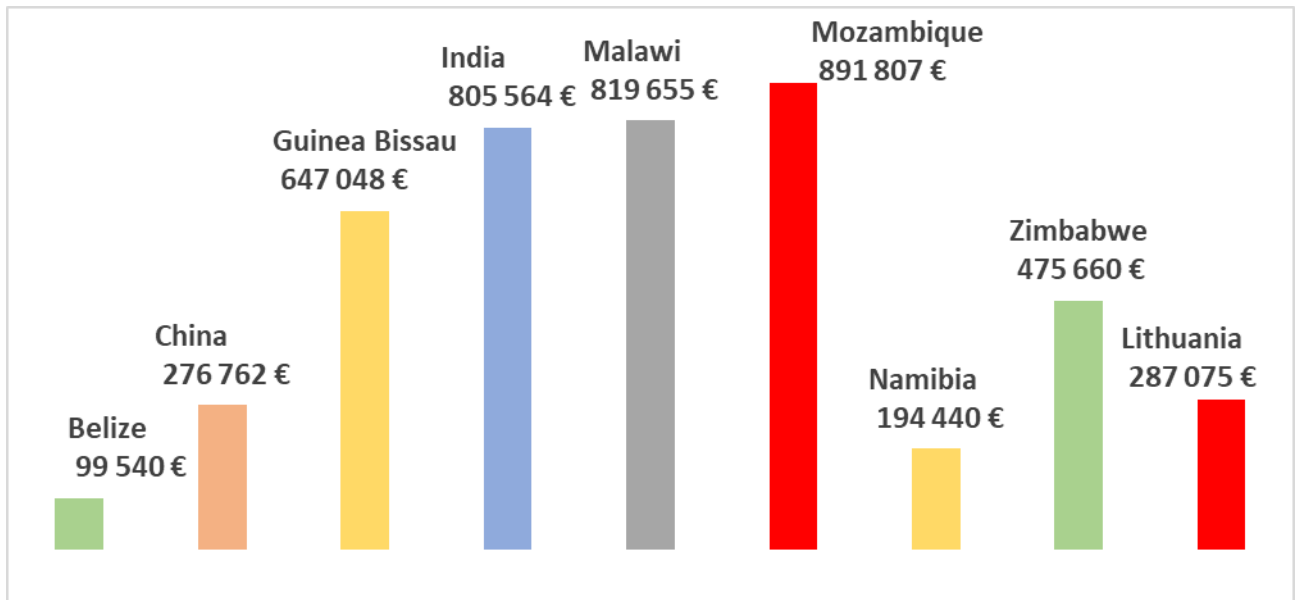
Total support for NGO projects (EUR) : 112,200

The Food Bank (Lithuania)

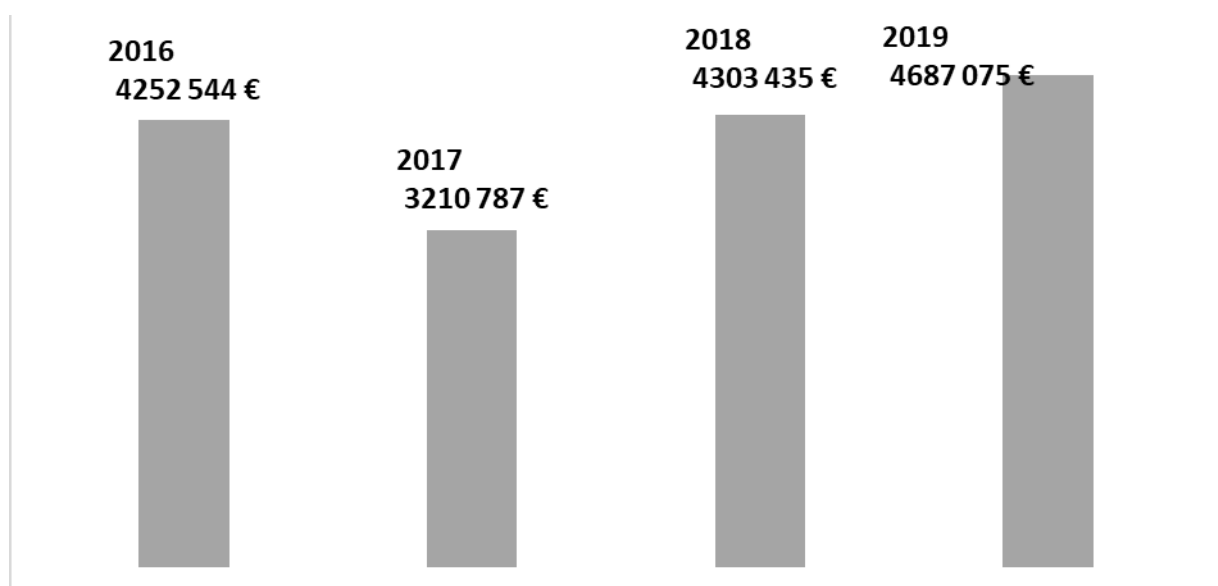
Total support for the Food Bank project (EUR) : 100,000

THE SUMMARY OF HPP BALTIC DONATIONS FOR DEVELOPMENT	(EUR)
Donated in 2018 to use for the Development Projects in 2019	1,328,926
Donated in 2019	4,687,075
Used in 2019	4,970,749
Donations to use in 2020	1,045,252

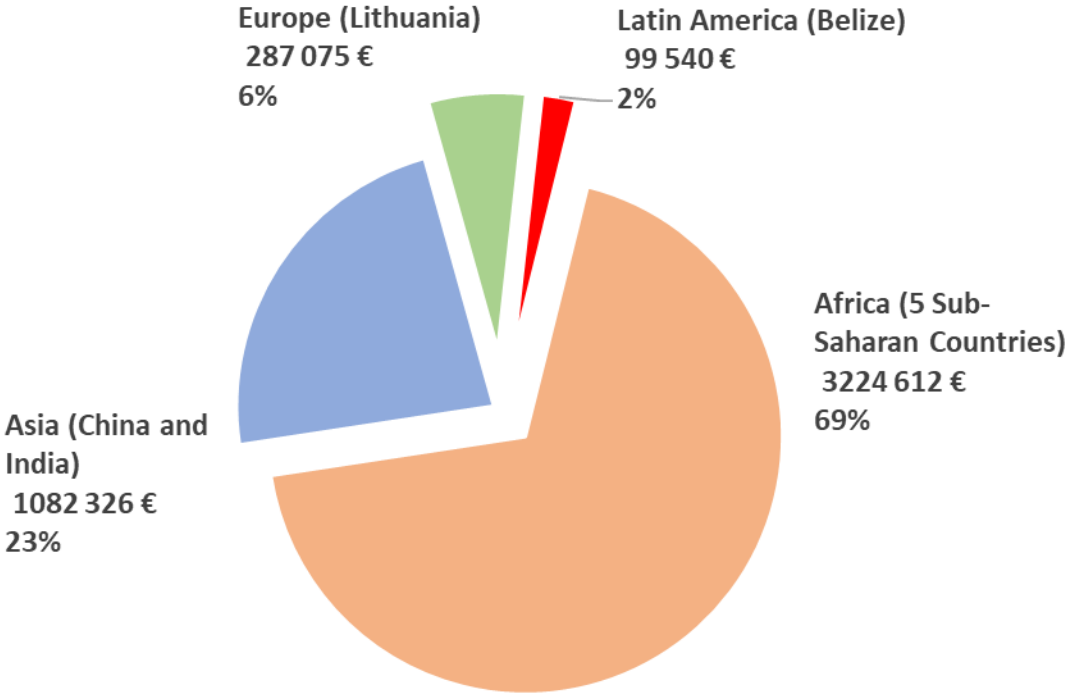
**HPP BALTIC DONATIONS USED BY FAIHPP MEMBER ORGANIZATIONS IN 2019
FOR PARTNERSHIP IN DEVELOPMENT PROJECTS**



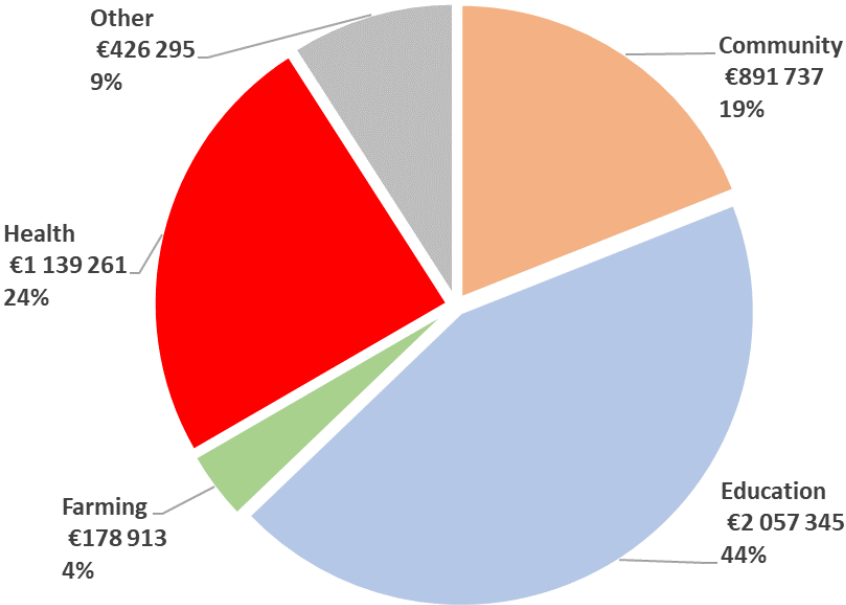
**HPP BALTIC DONATIONS FOR PARTNERSHIP IN DEVELOPMENT PROJECTS IN
THE PERIOD OF 2016-2019**



HPP BALTIC DONATIONS USED IN 2019 FOR DEVELOPMENT PROJECTS BY CONTINENTS



HPP BALTIC DONATIONS USED IN 2019 FOR PARTNERSHIP IN DEVELOPMENT PROJECTS BY PARTNERSHIP AREAS



SORTING CENTRE



Photo: HPPB Sorting centre in Vilnius. The highest environmental benefits requires a detailed sorting of second hand textiles.

We buy four times more clothes than 30 years ago. Sorting of second hand textiles for re-use is increasingly important environmental issue and economic activity.

In the course of two decades of well-balanced growth, starting in 1998, HPPB Sorting Centre become one of the biggest sorters in Baltics and accumulated great amount of knowledge and skills to sort and deal with the second hand clothes and textile.

This specific competence contributes substantially in reaching the universal Sustainable Development Goals.

The quality and market value are deciding factors whether an item of the second hand textile will be sent to re-use or to recycle.

Modern textile and recycling technologies set increasingly high standards of sorting intelligence and skills. Clothes and footwear are sorted into more than 200 categories according to the seasons, special requests of our customers and quality of each item.

Currently the Sorting Centre sorts every week more than 800 tons of clothes and footwear, bought mostly from suppliers in Sweden, the Netherlands, Germany, Finland,

Norway, Austria, Italy and United Kingdom.

31% of sorted goods are supplied to the network of Humana shops or sold to minor sellers in Lithuania; 47% are exported to Humana People to People movement partner organizations and other customers around the world. 17% are sold for recycling companies and are used, e.g. in production of wipers. To reduce the landfill waste to zero, the last 5% of the total sorted amount, what cannot be reused nor recycled in any way, we hand over for incineration to produce energy.

To increase the rate of reuse of the second hand clothes and foot wear, we invested and installed the industrial washing and drying machines with a capacity of up to 1 ton, i.e. about 0.5% of the total output per day.

In 2019 we also started works on installation of the solar energy panels of 500 kilowatts on the roof of the Sorting Centre. That amount of the energy generated from non-fossil and renewable source is sufficient to cover in full our needs during summer months starting the year of 2020.

HUMANA SHOPS



Photo: HUMANA Vintage Shop on Trakų str. 16 in Vilnius.

Humana shops sell clothes for men, women and children, as well as footwear, accessories and home textile products.

The first Humana shop in Lithuania was opened in May 1998. By the end of 2019, the Humana network is already 63 shops, spread in 28 cities all over the country: 16 shops are in Vilnius, 12 shops in Kaunas, 3 shops in Klaipėda, 3 shops in Šiauliai, 2 in Panevėžys, 2 in Alytus and 2 in Marijampolė. Other 23 shops are located in: Anykščiai, Biržai, Druskininkai, Elektrėnai, Jonava, Joniškis, Jurbarkas, Kaišiadorys, Kėdainiai, Kupiškis, Mažeikiai, Plungė, Radviliškis, Raseiniai, Rokiškis, Tauragė, Telšiai, Trakai, Ukmergė, Utena, Varėna, Vilkaviškis and Visaginas.

Humana shops feature is constantly renewable assortment of goods. At this, it is also important to reach out to customers from as many sections of society as possible. Aiming at these purposes the five-week cycle was

developed: every five weeks, shops are fully restocked. In some regional shops the assortment of goods is renewed every 2 weeks.

Millennials who want to look modern and create their own style have also entered the market. For them and other seasoned customers we also have a special offer: two shops in Vilnius, on Didžioji street 18/2 and Trakų str. 16 and one shop in city of Kaunas on Daukšos street 25 sell the original *vintage* style clothes of the seventies and eighties. Today our client increasingly is the average class hunting for an original item, what cannot be found in new clothes shops. The risk of buying at Humana shop the same as someone else is practically nil.

In 2019, we invested in renovation of a quarter of our shops and expanded shopping hall area, build more cloth measuring booths and created rest zones for customers where they would spend time over cup of coffee and checking emails while his or her partner collects and measures clothes.

We regularly spread information about the ongoing actions and discounts on our webpage www.humana.lt, by sending SMS messages and weekly newsletters. In the section "Contacts" on our webpage you may find full information about each Humana shop work hours and contact phone number and its precise location on the google map.

We are passionate about what we do. In our shops we strive to create a comfortable and salon style atmosphere and provide the best service. Via our shops we share our quarterly newsletter about Humana People to People organizations aspirations and engagement in the works of global solidarity and sustainable development. Everyone is welcomed and sellers will inform about ongoing promotions and discounts, and will help to find the appropriate product.

SOCIAL PARTNERSHIP IN LITHUANIA

PARTNERSHIP WITH SCHOOLS AND LOCAL CHILD AND YOUTH NGOS

Our pro social aspirations for Lithuania are to boost awareness of healthy living among socially disadvantaged people of Lithuania. Inspired by that vision, we engage ourselves into partnership with schools and local NGOs. The first social partnership project started in 2007, and since then our initial effort grew up to the Program “Eat Wisely” benefiting nearly five thousand children and youth all over the country. The Program is implemented through the annual cycle of project implementation, starting with the call for proposals, collecting and evaluating the applications, and after approving the application, signing the grant contract and working on-line with the output data in monitoring and evaluating framework.

Besides, as an organization dealing professionally with apparel, we sensibly respond to the requests by social NGOs for sponsorship with the second hand clothes and shoes for people in need or for artistic performances. In 2019, HPP Baltic donated this way nearly 15 tons of clothes for 27 institutions and organizations.

To make our pro bono commune aspirations into deeds, HPP Baltic in 2019 have signed grant contracts with 39 child and youth organizations and 21 schools all over the country and transferred for partnering children and youth NGOs EUR 112,2 thousand and EUR 75 thousand for partnering schools.

Besides this already tough commitment, HPP Baltic extended the grant of EUR 100 thousand for the Food Bank in Lithuania.

The total amount transferred by HPP Baltic for social development projects implemented by Lithuanian organizations by the end of 2019 mounted up to EUR 287,2 thousand. The full list of our Lithuanian partner NGOs and Schools is on pages 10 and 11 of this Publication.

“EAT WISELY” 2019 IN NUMBERS	Child NGOs	Schools
Partnership projects	39	21
Grant in total	€ 112 200	€ 75 000
Child or student beneficiaries	1 380	3 570
Meals served and cooking classes taken by a participating child or a student	125 meal-classes	20 meal-classes
EUR for food products for a participating child or a student	€ 63	€ 16
Grant used for to pay for products of local farmers	€ 78 000	€ 42 000
Total amount of meals served	172 000	71 000

SOCIAL PARTNERSHIP IN LITHUANIA

THE SOCIAL PARTNERSHIP PROGRAM “EAT WISELY”

The overall aims of the Program “Eat Wisely” are (1) awareness raising on quality nutrition and (2) culinary skills development among children, especially of socially disadvantaged background. When drafting their project proposals, partnership aspiring organizations are asked to plan their project activities in such a way, that at least ¼ of the food budget would be spent for raw products from local farmers. By this we aim to tackle the challenges caused by spread of so-called fast-food culture and advance of increasingly alarming growth of consumption of cheap and low-quality pre-fabricated food among majority population. In our partnership with the schools, we cooperate with the National Agency for Education what provides assistance for participating schools in their efforts to develop methodic materials for culinary classes to ensure the newly created materials are up to the national standard.

The Child Day Center of Švenčionys Parish is a partner with HPP Baltic program “Eat Wisely” since 2017. In 2019, having to take care of 44 children at our Center, we applied for the grant for our project what we have named: “I am a cook”. After two years of social partnership in the HPP Baltic program, we have learned how to organize the kitchen time for children. As some of “our” children have no cooking skills from home, kitchen time activities, and especially sharing self-made food, for them are new and exciting experiences.

When we take the children into the kitchen, they are exposed to basic cooking, e.g. they see how to cook beet, pumpkin and cabbage soups, how to make buckwheat cutlet and pancakes, oat cutlet, chicken steak, fish, healthy biscuits or shake a fruit cocktail. The children receive raw products in their hands to prepare them for the top. In this way they have learning by doing healthy cooking classes. We have noticed also one more important benefit coming out from these activities: during kitchen-time activities, children would open before their tutors and speak more open about various issues of their concern.

Beside the kitchen time, the project includes activities in preparing dining room and serving the guests at the table. Our project “I am a cook” was implemented from May till November, 2019. At the end of the year, the participating children grew up into valuable assistants in kitchen and dining room not only in the Day Center but also at home.

Project “I am a Cook” coordinator Vida Rasteniene

GRANT FOR THE FOOD BANK

The grant of EUR 100 thousand was transferred for the Food Bank in Lithuania to implement the Project “Save Food for People in Need”. The Grant is earmarked for the expenditures of (1) food collection from food donors, (2) storage at facilities of the Food bank, and (3) logistics and distribution among the local organizations. The Project activities started in October, 2019, and by the end of 2019 the Food Bank reported having collected 450 tons of food and transferred it to 480 local social NGOs for further distribution among people in need in 180 townships all over the country, and by that reaching in average 26 thousand Lithuanians a month. The Project “Save Food for People in Need” activities extends until April, 2020.

PARTICIPATION IN ACTIVITIES OF THE NATIONAL NGDO PLATFORM

HPP Baltic is a founding and active member of Lithuanian NGDO platform, where HPP Baltic representative is serving as an elected auditor.

CONTACTS

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